

12/8/77

Folder Citation: Collection: Office of Staff Secretary; Series: Presidential Files; Folder: 12/8/77;
Container 54

To See Complete Finding Aid:

http://www.jimmycarterlibrary.gov/library/findingaids/Staff_Secretary.pdf

THE PRESIDENT'S SCHEDULE

Thursday - December 8, 1977

8:00 Dr. Zbigniew Brzezinski - The Oval Office.

8:45 Mr. Frank Moore - The Oval Office.

10:30 Mr. Jody Powell - The Oval Office.
(5 min.)

10:35 Mr. Saul Kohler. (Mr. Jody Powell).
(10 min.) The Oval Office.

12:30 Lunch with Mrs. Rosalynn Carter - Oval Office.

2:00 Budget Review Meeting. (Mr. James McIntyre).
(3 hrs.) The Cabinet Room.

8:15 Depart South Grounds via Motorcade en route
The Kennedy Center.

8:30 National Symphony Concert.

THE WHITE HOUSE
WASHINGTON

December 8, 1977

Stu Eizenstat

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

RE: INITIATION OF NONFUEL
MINERALS POLICY REVIEW

*memo given to Bob Linder
for release on 12/12/77*

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
		MONDALE
		COSTANZA
/		EIZENSTAT
		JORDAN
		LIPSHUTZ
		MOORE
		POWELL
		WATSON
		McINTYRE
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	GAMMILL

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE WHITE HOUSE
WASHINGTON

12/7/77

Mr. President:

Brzezinski, Press and Warren
concur, as do Interior, State,
Treasury, Commerce, Energy,
EPA and GSA.

McIntyre, Watson, Schultze
and Moore have no comment.

Rick

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR

THE PRESIDENT

FROM

STU EIZENSTAT
KATHY FLETCHER

Stu

SUBJECT:

Initiation of Nonfuel Minerals
Policy Review

At your direction, Secretary Andrus and Frank Press have worked with us to design an interagency study of nonfuel minerals policy, following up on your meeting some months ago with Congressman Santini and other Members of Congress. Secretary Andrus would chair the study, using the new Domestic Policy Review System.

If you approve, I will sign the attached Issue Definition Memorandum to the participating agencies. The study would commence immediately.

The study would consider all the major issues relating to minerals supply and demand, but focus carefully on the most important minerals. One objective of the study will be to establish a methodology for assessing particular minerals which can be updated periodically for the continuing use of decision-makers. Minerals information today is so scattered and of such varying quality that it is very difficult to analyze and respond to minerals problems quickly, as we have recently learned with respect to copper.

The study will last for 15 months. A great deal of work has already been done by the principal agencies in designing the study and laying out the work plan.

This study will not preclude the short-term analysis of any needed responses to the copper industry situation, but will provide a much better long-term basis for copper and other mineral-related decisions.

DECISION

Proposed Study

- a. Approved as outlined in Issue Definition Memorandum (recommended)
-

DECISION (cont'd.)

- b. Modify the Issue Definition Memorandum _____
- c. Other _____

ok - but:

*a) May be overly ambitious in
scope of study & agencies involved
& time required*

*b) Strategic reserve should be
more of a factor assessed -*

FC

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR

THE SECRETARY OF THE INTERIOR
THE SECRETARY OF STATE
THE SECRETARY OF THE TREASURY
THE SECRETARY OF COMMERCE
THE SECRETARY OF ENERGY
THE ADMINISTRATOR, ENVIRONMENTAL PROTECTION AGENCY
THE ADMINISTRATOR OF GENERAL SERVICES
THE DIRECTOR OF THE NATIONAL SCIENCE FOUNDATION
THE ASSISTANT TO THE PRESIDENT FOR NATIONAL
SECURITY AFFAIRS
THE CHAIRMAN OF THE COUNCIL OF ECONOMIC ADVISERS
THE SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS
THE CHAIRMAN OF THE COUNCIL ON ENVIRONMENTAL QUALITY
THE DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET
THE DIRECTOR OF THE OFFICE OF SCIENCE AND TECHNOLOGY
POLICY

FROM

STU EIZENSTAT *Stu*

SUBJECT:

Interagency Review of Nonfuel Minerals-
Related Policy Issues

The President has directed that a Nonfuel Minerals Policy Coordinating Committee, under the Chairmanship of the Secretary of the Interior and consisting of the addressees, develop for Presidential consideration a set of policy options to address issues and problems related to nonfuel minerals. This memorandum will serve to inform you of the commencement of the interagency efforts to accomplish this policy review under the procedures established in the Domestic Policy Review System.

PURPOSE OF STUDY

Members of Congress, the public, and several recent Commissions have enumerated many of the reasons why such a study is needed. World consumption of nonfuel minerals has been rising and will probably continue to do so. United States economic health requires that the supply of such minerals remain adequate and that prices remain relatively stable.

Yet, in recent years the ability of domestic and international minerals markets to meet these requirements has become uncertain. Serious concerns have been expressed regarding:

- Whether the trends toward international interdependence and the politicization of certain minerals markets are increasing U. S. vulnerability to foreign supply curtailments and price manipulations;
- Whether U. S. reserves, production capacities, and inventories are adequate to deal with possible supply/price interruptions, or with the economic and social consequences of such disruptions;
- Whether the economic health of the domestic minerals industry is adequate, as reflected in energy costs and supplies, investment, transportation, manpower, and other factors related to the structure and vitality of the industry.
- Whether land use decisions are based on adequate minerals information and analysis;
- Whether current tax laws favor the use of raw minerals over recycled minerals or encourage substitution and other conservation practices;
- Whether current government regulations adequately protect the environment, health, and safety while not unduly affecting the supply and price of minerals;
- Whether minerals policies adversely affect U. S. trade posture and balance of payments;
- Whether existing government policy analysis, data analysis, and data collection functions are adequate to support federal decision-makers responsible for formulating, implementing, and monitoring nonfuel minerals policies.

The development and implementation of effective, operational policies to address these and other related concerns require careful and systematic consideration of three distinct perspectives: first, that particular minerals or groups of related minerals have unique characteristics

which must be examined on a commodity-by-commodity basis; second, that certain policy issues related to minerals are generic in nature and cut across specific minerals or groups of minerals; and third, that issues relating to minerals availability are international in scope. Every effort should be made in the study to take account of these three perspectives.

There are two basic objectives of the interagency study: (1) to prepare for Presidential consideration a set of policy options, analyses, and recommendations on specific issues and problems related to nonfuel minerals; and (2) to develop, test, implement, and provide for the continuing use of a policy analysis framework which federal policymakers can use to update and expand the analysis in this study as needed in the future.

STRUCTURE OF STUDY

In order to accomplish these objectives, the study will focus on the issues, problems, and conditions related particularly to those domestic and imported minerals considered most critical to the United States economy. For the most part, the issues are concerned with (a) the policy information and analysis required to support federal decision-makers in developing, implementing, and monitoring minerals policy, including laws and regulations applicable to the issue and mineral under consideration; and (b) the supply/demand data and analysis of specific minerals, including both economic and non-economic factors, which are required to conduct policy analysis. Eight interagency working groups will be organized to examine issues and minerals which incorporate these two general concerns. Each working group should identify and evaluate existing and alternative policy options, make recommendations, and suggest actions to be continued by particular government agencies.

The agencies listed in parenthesis should take leadership responsibility for the following subjects:

- A Policy Analysis Framework to Support Nonfuel Minerals Decision-making (Interior)
- The Adequacy of Government Minerals Data Collection and Data Analysis Capabilities to Support Policy Analysis (Interior)

- The Adequacy of Government Capabilities for Evaluating the Mineral Potential of Federal Land Prior to Land Use Decisions (Interior)
- Domestic and Foreign Policy Issues Related to International Interdependence (State)
- Government Tax, Investment, and Development Finance Policy (Treasury)
- Government Policies Affecting Domestic Minerals Supply (Interior)
- Government Policies Affecting Minerals Demand (Commerce)
- Government Policies Affecting Minerals-Related Research and Development (NSF)

Nearly every agency of the federal government has responsibilities related to nonfuel minerals. Several agencies with lead roles in the study and with cross-cutting responsibilities have been assigned to the Policy Coordinating Committee. A number of other agencies are receiving copies of this memorandum and their participation in the study will be invited as the need arises. A mechanism will also be developed for close and continuing consultations with interested Members of Congress and the public.

SCHEDULE

Within six weeks, a project management plan for this study should be developed under the leadership of the Secretary of the Interior and the Director of the Office of Science and Technology Policy, taking full account of relevant, ongoing government activities. The Policy Coordinating Committee should submit options and recommendations for Presidential consideration within 15 months of the date of initiation.

cc: The Secretary of Defense
Attorney General of the United States
(cont'd. next page)

cc: The Secretary of Agriculture
The Secretary of Labor
The Secretary of Housing and Urban Development
The Secretary of Transportation
Director of Central Intelligence
The Chairman of the Federal Trade Commission
The Chairman of the Interstate Commerce Commission

THE WHITE HOUSE
WASHINGTON

TO RICK HUTCHESON

Please let us know when the
President signs off on this.

We will then coordinate the
timing for the memo to be
delivered to the addressed
parties.

Joanne Hurley

5 Dec 77

*Patricia - pls
note*

THE WHITE HOUSE

WASHINGTON

Date: December 5, 1977

MEMORANDUM

FOR ACTION:

Jack Watson *nc by phone*
Jim McIntyre *nc by phone*
Charles Schultze *nc by phone*
Zbig Brzezinski *concur.*
Frank Press *concur.*
Bob Strauss *6 pm*
Charles Warren *concur.*

FOR INFORMATION:

The Vice President
Midge Costanza
Frank Moore *nc by phone*

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Eizensat memo undated re Initiation of Nonfuel Minerals
Policy Review

**YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:**

TIME: 12:00 Noon

DAY: Wednesday

DATE: December 7, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE
WASHINGTON
December 5, 1977

Stu Eizenstat

Attention: Joanne

Can I tell the President that Interior, State, Treasury, Commerce, DOE, EPA and GSA concur with your memo concerning Initiation of Nonfuel Mineral Policy Review.

Rick

Yes

Also note to a JOHNSON FM ME -- CAN I TELL THE PRES THAT STATE, TREAS, EDA + GSA CONCERN ?

TELL INTERIOR, COMMERCE, DOE,

THE WHITE HOUSE
WASHINGTON

<input checked="" type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

ACTION	FYI	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	MONDALE
<input type="checkbox"/>	<input checked="" type="checkbox"/>	COSTANZA
<input type="checkbox"/>	<input type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	<input type="checkbox"/>	JORDAN
<input type="checkbox"/>	<input type="checkbox"/>	LIPSHUTZ
<input type="checkbox"/>	<input checked="" type="checkbox"/>	MOORE
<input type="checkbox"/>	<input type="checkbox"/>	POWELL
<input checked="" type="checkbox"/>	<input type="checkbox"/>	WATSON
<input checked="" type="checkbox"/>	<input type="checkbox"/>	LANCE JM
<input checked="" type="checkbox"/>	<input type="checkbox"/>	SCHULTZE

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day	

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input checked="" type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	KING

<input type="checkbox"/>	KRAFT
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	MOE
<input type="checkbox"/>	PETERSON
<input type="checkbox"/>	PETTIGREW
<input type="checkbox"/>	POSTON
<input checked="" type="checkbox"/>	PRESS
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input checked="" type="checkbox"/>	STRAUSS
<input type="checkbox"/>	VOORDE
<input checked="" type="checkbox"/>	WARREN

THE WHITE HOUSE
WASHINGTON

Joanne
PRM *exp*
?
MEMORANDUM

Date: August 16, 1977

FOR ACTION:

*Stu Eizenstat
✓ Jack Watson *NC*
✓ Zbig Brzezinski *see comments*
✓ Jim Fallows *see changes*
Bert Lance *see comments*

FOR INFORMATION:

Bob Linder
Charlie Schultze *NC*

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Press/Andrus memo dated 8/11/77 re Proposal for an
Interagency Review of Non-Fuel Minerals-Related Policy
Issues.

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 12:00 NOON

DAY: Thursday

DATE: August 18, 1977

*extended
to Wed
of 8/22*

ACTION REQUESTED:

X Your comments
Other:

STAFF RESPONSE:

 I concur. No comment.
Please note other comments below:

*Eizenstat (Margo)
Would like to hold
until next week when
PRM will be ready reviewing this x)
*neary looking at
PRM
9/4 Still waiting
11/15 still circulating
w/ Dept - (P w/ Kathy
Fletcher*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required
material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE
WASHINGTON

8/15/77

TO.

Rick Hutcheson

For Your Information: _____

For Appropriate Handling: _____

✓


Robert D. Linder

THE WHITE HOUSE
WASHINGTON

ACTION	
FYI	
	MONDALE
	COSTANZA
✓	EIZENSTAT
✓	JORDAN
	LIPSHUTZ
	MOORE
✓	POWELL
✓	WATSON

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

✓	FOR STAFFING
✓	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

*gino 48hrs
full
[signature]*

	ARAGON
✓	BOURNE
✓	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
✓	CLOUGH
✓	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HOYT
	HUTCHESON
	JAGODA
	KING

	KRAFT
✓	LANCE
✓	LINDER
	MITCHELL
	POSTON
	PRESS
✓	B. RAINWATER
✓	SCHLESINGER
	SCHNEIDERS
✓	SCHULTZE
	SIEGEL
	SMITH
	STRAUSS
	WELLS
	VOORDE



United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

AUG 11 1977

RL
MEMORANDUM TO THE PRESIDENT

From: Cecil Andrus
Frank Press

Subject: Proposal for an Interagency Review of Non-fuel Minerals-Related Policy Issues

On June 2, 1977, following a discussion of non-fuel minerals policy with a group of Congressmen led by James Santini of Nevada, you asked us to look into the need for a review of national non-fuel minerals policy. Taking full account of previous studies and work your Administration has already begun, we find that a review of selected non-fuel minerals-related issues is needed and recommend the formation of an interagency task force to address the issues identified below.

Because of the diversity among non-fuel minerals, we believe that the development of effective, operational policies depends upon taking into account (a) the specific physical, geologic, economic, environmental, political, and institutional characteristics of individual or small groups of related non-fuel minerals; and (b) the general problems and issues which relate to several minerals and suggest areas of policy interdependence. To foster the coordination of policies which address these two points, alternative policy options should be formulated and analyzed within a coherent analytical framework. A primary task of the interagency review would be to develop, test, implement, and provide for the continuing use of such a framework.

Initially, the task force would address selected issues in the following major categories:

- Domestic and foreign policy issues related to foreign dependence.
- The adequacy of governmental procedures for evaluating the mineral potential of Federal land prior to land use decisions.
- Government policies that influence minerals supply and demand.
- The adequacy of the Government's mineral data collection and analysis capabilities.
- The effectiveness of Government research and development and manpower policies.



We feel that the required review, analysis, and identification of policy options can best be conducted through an interagency study initiated by a Presidential Memorandum. Interior would act as lead agency and would chair the Non-Fuel Minerals Policy Review Committee. This committee would submit options and recommendations requiring Presidential action within 1 year of the date of initiation.

A Presidential Memorandum that would initiate this study is attached.

Leoil D. Andrews
Frank Press

Attachment

President Approves
Issuance of PM _____

President Disapproves
Issuance of PM _____

DRAFT

PRESIDENTIAL MEMORANDUM

For : The Vice President
The Secretary of the Interior
The Secretary of Commerce
The Secretary of State
The Secretary of the Treasury
The Director of the National Science Foundation
The Assistant to the President for National Security Affairs
The Chairman of the Council of Economic Advisers
The Chairman of the Council on Environmental Quality
The Director of the Office of Management and Budget
The Science and Technology Adviser to the President

Subject: Interagency Review of Non-Fuel Minerals-Related Policy Issues

The President has directed that a Non-Fuel Minerals Policy Review Committee, under the Chairmanship of the Secretary of the Interior and consisting of the addressees, undertake an analysis of and provide options concerning selected non-fuel minerals-related policy issues. Because of the diversity among non-fuel minerals, the development and implementation of effective, operational policies depends frequently upon recognizing two perspectives: first, that particular minerals or groups of related minerals have unique characteristics which must be examined on a commodity-by-commodity basis; and second, that recent issues or trends pertaining to several minerals may indicate areas of policy interdependence which might not be addressed using only a commodity-by-commodity approach. In order to address and coordinate these two perspectives, alternative policy options should be formulated and analyzed within a coherent analytical framework. A primary task of the interagency review will be to develop, test, implement, and provide for the continuing use of such a framework.

The agencies listed in parenthesis should take leadership responsibility for the following subjects:

- Formulation of an Analytical Framework (Interior).
- Domestic and Foreign Policy Issues Related to Foreign Dependence (State).
- The Adequacy of Governmental Procedures for Evaluating the Mineral Potential of Federal Land Prior to Land Use Decisions (Interior).
- Government Policies Affecting Minerals Demand (Commerce).
- Government Policies Affecting Minerals Supply (Interior).
- The Adequacy of the Government's Mineral Data Collection and Analysis Capabilities (Interior).
- Government R&D and Manpower Policies (NSF).

Each component of this study should identify and explore policy options, make recommendations, and suggest actions that should be continued by particular government agencies. Within 3 weeks, terms of reference for this study should be coordinated under the leadership of the Secretary of the Interior and the Science and Technology Adviser to the President, taking full account of relevant ongoing Government activities. The Non-Fuel Minerals Policy Review Committee would submit options and recommendations for Presidential action within 12 months of the date of initiation.

cc: The Secretary of Agriculture
The Secretary of Defense
The Secretary of Labor
The Administrator of General Services
The Chairman of the Interstate Commerce Commission
The Administrator, Environmental Protection Agency
Director of Central Intelligence

THE WHITE HOUSE

WASHINGTON

August 18, 1977

MEMORANDUM FOR:

CECIL ANDRUS
FRANK PRESS

FROM:

RICK HUTCHESON

SUBJECT:

Proposal for an Interagency Review of
Non-Fuel Minerals-Related Policy Issues

This is to inform you that at the request of Stu Eizenstat your memorandum of August 11 on the above subject is being held in this office pending receipt of additional information from the Domestic Council staff.

We expect to forward this package to the President next week.

Date: August 16, 1977

MEMORANDUM

FOR ACTION:

Stu Eizenstat
Jack Watson
Zbig Brzezinski
Jim Fallows
Bert Lance

FOR INFORMATION:

Bob Linder
Charlie Schultze

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Press/Andrus memo dated 8/11/77 re Proposal for an
Interagency Review of Non-Fuel Minerals-Related Policy
Issues.

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 12:00 NOONDAY: ThursdayDATE: August 18, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.☐ No comment.*Please note other comments below:*

I've suggested recasting this so as to make it more comprehensible to the average educated person and to cut out some of the jargon. I talked with Chuck Eddy, Dep. Asst. Sec. of Interior for Minerals and Energy, and I think the meaning is preserved--though neither he nor anyone else has seen this suggested revised version.

Rick Hertzberg

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)



United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

AUG 11 1977

MEMORANDUM TO THE PRESIDENT

From: Cecil Andrus
Frank Press

Subject: Proposal for an Interagency Review of Non-fuel Minerals-Related Policy Issues

On June 2, 1977, following a discussion of non-fuel minerals policy with a group of Congressmen led by James Santini of Nevada, you asked us to look into the need for a review of national non-fuel minerals policy. Taking full account of previous studies and work your Administration has already begun, we find that a review of selected non-fuel minerals-related issues is needed and recommend the formation of an interagency task force to address the issues identified below.

Because of the diversity among non-fuel minerals, we believe that the development of effective, operational policies depends upon taking into account (a) the specific physical, geologic, economic, environmental, political, and institutional characteristics of individual or small groups of related non-fuel minerals; and (b) the general problems and issues which relate to several minerals and suggest areas of policy interdependence. To foster the coordination of policies which address these two points, alternative policy options should be formulated and analyzed within a coherent analytical framework. A primary task of the interagency review would be to develop, test, implement, and provide for the continuing use of such a framework.

Initially, the task force would address selected issues in the following major categories:

- Domestic and foreign policy issues related to foreign dependence.
- The adequacy of governmental procedures for evaluating the mineral potential of Federal land prior to land use decisions.
- Government policies that influence minerals supply and demand.
- The adequacy of the Government's mineral data collection and analysis capabilities.
- The effectiveness of Government research and development and manpower policies.



We feel that the required review, analysis, and identification of policy options can best be conducted through an interagency study initiated by a Presidential Memorandum. Interior would act as lead agency and would chair the Non-Fuel Minerals Policy Review Committee. This committee would submit options and recommendations requiring Presidential action within 1 year of the date of initiation.

A Presidential Memorandum that would initiate this study is attached.

Leslie D. Andrews
Frank Press

Attachment

President Approves
Issuance of PM _____

President Disapproves
Issuance of PM _____

DRAFT

PRESIDENTIAL MEMORANDUM

For : The Vice President
The Secretary of the Interior
The Secretary of Commerce
The Secretary of State
The Secretary of the Treasury
The Director of the National Science Foundation
The Assistant to the President for National Security Affairs
The Chairman of the Council of Economic Advisers
The Chairman of the Council on Environmental Quality
The Director of the Office of Management and Budget
The Science and Technology Adviser to the President

Subject: Interagency Review of Non-Fuel Minerals-Related Policy Issues

The President has directed that a Non-Fuel Minerals Policy Review Committee, under the Chairmanship of the Secretary of the Interior and consisting of the addressees, undertake an analysis of and provide options concerning selected non-fuel minerals-related policy issues. Because of the diversity among non-fuel minerals, the development and implementation of effective, operational policies depends frequently upon recognizing two perspectives: first, that particular minerals or groups of related minerals have unique characteristics which must be examined on a commodity-by-commodity basis; and second, that recent issues or trends pertaining to several minerals may indicate areas of policy interdependence which might not be addressed using only a commodity-by-commodity approach. In order to address and coordinate these two perspectives, alternative policy options should be formulated and analyzed within a coherent analytical framework. A primary task of the interagency review will be to develop, test, implement, and provide for the continuing use of such a framework.

The agencies listed in parenthesis should take leadership responsibility for the following subjects:

- Formulation of an Analytical Framework (Interior).
- Domestic and Foreign Policy Issues Related to Foreign Dependence (State).
- The Adequacy of Governmental Procedures for Evaluating the Mineral Potential of Federal Land Prior to Land Use Decisions (Interior).
- Government Policies Affecting Minerals Demand (Commerce).
- Government Policies Affecting Minerals Supply (Interior).
- The Adequacy of the Government's Mineral Data Collection and Analysis Capabilities (Interior).
- Government R&D and Manpower Policies (NSF).

Each component of this study should identify and explore policy options, make recommendations, and suggest actions that should be continued by particular government agencies. Within 3 weeks, terms of reference for this study should be coordinated under the leadership of the Secretary of the Interior and the Science and Technology Adviser to the President, taking full account of relevant ongoing Government activities. The Non-Fuel Minerals Policy Review Committee would submit options and recommendations for Presidential action within 12 months of the date of initiation.

cc: The Secretary of Agriculture
The Secretary of Defense
The Secretary of Labor
The Administrator of General Services
The Chairman of the Interstate Commerce Commission
The Administrator, Environmental Protection Agency
Director of Central Intelligence

THE WHITE HOUSE

WASHINGTON

FOR: The Vice President
 The Secretary of the Interior
 The Secretary of Commerce
 The Secretary of State
 The Secretary of Treasury
 The Director of the National Science Foundation
 The Assistant to the President for National
 Security Affairs
 The Chairman of the Council of Economic Advisers
 The Chairman of the Council on Environmental
 Quality
 The Director of the Office of Management
 and Budget
 The Science and Technology Adviser to the
 President

SUBJECT: Interagency review of non-fuel minerals
 policy issues

Over the past several months, nearly all Americans have come to recognize the need for our government to have a coordinated approach to mineral fuels such as coal and petroleum. And the effort to meet this need is now well under way.

The importance of non-fuel minerals is less widely appreciated. Yet non-fuel minerals, too, are vital to our economy. Their production and use involves tens of billions of dollars, thousands of individual enterprises, scores of foreign countries, and dozens of governmental agencies.

Unlike fuel minerals, which can be measured by the single standard of energy output, non-fuel minerals are extraordinarily diverse. They range from sand to diamonds, and, except in rare cases, they are not interchangeable.

For this reason, a single overall policy is impossible.

However, there are in the field of non-fuel minerals a number of overarching issues--issues of supply and demand, land use, relations with other countries, data collection, and so on. The ad hoc approach of the past will not be adequate to meet our future requirements. We need a coherent analytical framework in which to address the entire range of issues that affect minerals other than fuels.

To create such a framework, I am today appointing a Non-Fuel Minerals Policy Review Committee. This committee will be chaired by the Secretary of the Interior and will consist of the addressees of this memorandum.

Because of their diversity, particular minerals must be looked at on a commodity-by-commodity basis. At the same time, a comprehensive look at broader issues and trends is badly needed. The job of this interagency review will be to bring these two perspectives together within a coherent framework--and to develop ways to make such a framework an integral part of policymaking in the future.

Over the next three weeks, the Secretary of the Interior and the Science and Technology Adviser to the President will prepare detailed descriptions of the tasks each agency will undertake as part of this review. Broadly speaking, however, the leadership responsibility for the areas of inquiry will be divided as follows:

- Formulation of an analytical framework (Interior).
- Domestic and foreign policy issues related to foreign dependence (State).
- The adequacy of governmental procedures for evaluating the mineral potential of federal land prior to land use decisions (Interior).
- Government policies affecting minerals demand (Commerce).
- Government policies affecting minerals supply (Interior).
- The adequacy of the government's mineral data collection and analysis capabilities (Interior).
- Government R&D and manpower policies (NSF).

Within a year, the Non-Fuel Minerals Policy Review Committee will submit recommendations for action to me. I cannot predict what those recommendations will be, for we are dealing here with largely unexplored territory. But I believe that this effort can lead to policies that will help us meet our mineral needs in the future, while still pursuing the goals of environmental protection and good international relations.

Jimmy Carter



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

AUG 18 1977

MEMORANDUM FOR RICK HUTCHESON

FROM: W. BOWMAN ~~W. BOWMAN~~ TATTER

SUBJECT: Proposed Interagency Review of Non-Fuel
Minerals Related Policy Issues

Although it concerns an important topic, the proposed Presidential memorandum is largely unfocused at this point. Aside from two identified issues about (1) the adequacy of government mineral potential evaluation prior to land use decisions, and (2) the adequacy of government mineral data collection and analysis capabilities, there are few indications about what issues or what perceived problems are to be addressed.

In our view any policy review should:

- be focused on specific problems in order to make the task manageable;
- develop criteria to determine which minerals are of critical concern in order to limit the scope of the analysis;
- at an early stage, review and critique the facts and analyses developed during the reviews identified above rather than starting from scratch, as the current proposal seems to suggest.

We will be happy to participate in the policy review.

NATIONAL SECURITY COUNCIL

August 18, 1977

MEMORANDUM FOR: RICK HUTCHESON

FROM: CHRISTINE DODSON *ChD*

SUBJECT: Proposal for an Interagency Review of
Non-Fuel Minerals-Related Policy Issues

The NSC Staff concurs that someone, or some group, ought to continue to monitor the status of non-fuel minerals, however, we have one comment to make.--the greatest possible use of studies accomplished (i.e., the CIEP study and the Report of the National Commission on Supplies and Shortages) should be digested before a major new study effort is undertaken.

Date: August 16, 1977

MEMORANDUM

FOR ACTION:

Stu Eizenstat
Jack Watson
Zbig Brzezinski
Jim Fallows
Bert Lance

FOR INFORMATION:

Bob Linder
Charlie Schultze

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Press/Andrus memo dated 8/11/77 re Proposal for an
Interagency Review of Non-Fuel Minerals-Related Policy
Issues.

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 12:00 NOON

DAY: Thursday

DATE: August 18, 1977

ACTION REQUESTED:

 X Your comments
Other: _____

STAFF RESPONSE:

 I concur. No comment.
Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately: (Telephone, 7052)



United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

AUG 11 1977

RL
MEMORANDUM TO THE PRESIDENT

From: Cecil Andrus
Frank Press

Subject: Proposal for an Interagency Review of Non-fuel Minerals-Related Policy Issues

On June 2, 1977, following a discussion of non-fuel minerals policy with a group of Congressmen led by James Santini of Nevada, you asked us to look into the need for a review of national non-fuel minerals policy. Taking full account of previous studies and work your Administration has already begun, we find that a review of selected non-fuel minerals-related issues is needed and recommend the formation of an interagency task force to address the issues identified below.

Because of the diversity among non-fuel minerals, we believe that the development of effective, operational policies depends upon taking into account (a) the specific physical, geologic, economic, environmental, political, and institutional characteristics of individual or small groups of related non-fuel minerals; and (b) the general problems and issues which relate to several minerals and suggest areas of policy interdependence. To foster the coordination of policies which address these two points, alternative policy options should be formulated and analyzed within a coherent analytical framework. A primary task of the interagency review would be to develop, test, implement, and provide for the continuing use of such a framework.

Initially, the task force would address selected issues in the following major categories:

- Domestic and foreign policy issues related to foreign dependence.
- The adequacy of governmental procedures for evaluating the mineral potential of Federal land prior to land use decisions.
- Government policies that influence minerals supply and demand.
- The adequacy of the Government's mineral data collection and analysis capabilities.
- The effectiveness of Government research and development and manpower policies.



We feel that the required review, analysis, and identification of policy options can best be conducted through an interagency study initiated by a Presidential Memorandum. Interior would act as lead agency and would chair the Non-Fuel Minerals Policy Review Committee. This committee would submit options and recommendations requiring Presidential action within 1 year of the date of initiation.

A Presidential Memorandum that would initiate this study is attached.

Levil D. Andrews
Frank Press

Attachment

President Approves
Issuance of PM _____

President Disapproves
Issuance of PM _____

DRAFT

PRESIDENTIAL MEMORANDUM

For : The Vice President
The Secretary of the Interior
The Secretary of Commerce
The Secretary of State
The Secretary of the Treasury
The Director of the National Science Foundation
The Assistant to the President for National Security Affairs
The Chairman of the Council of Economic Advisers
The Chairman of the Council on Environmental Quality
The Director of the Office of Management and Budget
The Science and Technology Adviser to the President

Subject: Interagency Review of Non-Fuel Minerals-Related Policy Issues

The President has directed that a Non-Fuel Minerals Policy Review Committee, under the Chairmanship of the Secretary of the Interior and consisting of the addressees, undertake an analysis of and provide options concerning selected non-fuel minerals-related policy issues. Because of the diversity among non-fuel minerals, the development and implementation of effective, operational policies depends frequently upon recognizing two perspectives: first, that particular minerals or groups of related minerals have unique characteristics which must be examined on a commodity-by-commodity basis; and second, that recent issues or trends pertaining to several minerals may indicate areas of policy interdependence which might not be addressed using only a commodity-by-commodity approach. In order to address and coordinate these two perspectives, alternative policy options should be formulated and analyzed within a coherent analytical framework. A primary task of the interagency review will be to develop, test, implement, and provide for the continuing use of such a framework.

The agencies listed in parenthesis should take leadership responsibility for the following subjects:

- Formulation of an Analytical Framework (Interior).
- Domestic and Foreign Policy Issues Related to Foreign Dependence (State).
- The Adequacy of Governmental Procedures for Evaluating the Mineral Potential of Federal Land Prior to Land Use Decisions (Interior).
- Government Policies Affecting Minerals Demand (Commerce).
- Government Policies Affecting Minerals Supply (Interior).
- The Adequacy of the Government's Mineral Data Collection and Analysis Capabilities (Interior).
- Government R&D and Manpower Policies (NSF).

Each component of this study should identify and explore policy options, make recommendations, and suggest actions that should be continued by particular government agencies. Within 3 weeks, terms of reference for this study should be coordinated under the leadership of the Secretary of the Interior and the Science and Technology Adviser to the President, taking full account of relevant ongoing Government activities. The Non-Fuel Minerals Policy Review Committee would submit options and recommendations for Presidential action within 12 months of the date of initiation.

cc: The Secretary of Agriculture
The Secretary of Defense
The Secretary of Labor
The Administrator of General Services
The Chairman of the Interstate Commerce Commission
The Administrator, Environmental Protection Agency
Director of Central Intelligence

EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL ON ENVIRONMENTAL QUALITY
722 JACKSON PLACE, N. W.
WASHINGTON, D. C. 20006

December 7, 1977

MEMORANDUM FOR RICK HUTCHESON

FROM: Charles Warren *Chen*

SUBJECT: Eizenstat memo undated re Initiation of Nonfuel Minerals
Policy Review

We concur with the Eizenstat memorandum. We have no comments.

NATIONAL SECURITY COUNCIL

December 7, 1977

MEMORANDUM FOR: RICK HUTCHESON

FROM: CHRISTINE DODSON *CD*

SUBJECT: Eizenstat Memorandum Regarding Nonfuel
Minerals Policy Review

The NSC staff concurs in the transmittal of Stu Eizenstat's memorandum concerning a nonfuel minerals policy review to the President.

Date: December 5, 1977

MEMORANDUM

FOR ACTION:

Jack Watson
Jim McIntyre
Charles Schultze
Zbig Brzezinski
Frank Press
Bob Strauss
Charles Warren

FOR INFORMATION:

The Vice President
Midge Costanza
Frank Moore

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Eizensat memo undated re Initiation of Nonfuel Minerals
Policy Review

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 12:00 Noon

DAY: Wednesday

DATE: December 7, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☒ I concur.☐ No comment.*Please note other comments below:**Frank Press*

DEC 6 1977

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

8 December 1977

TO:

STU EIZENSTAT
JACK WATSON
JIM MCINTYRE

FROM:

RICK HUTCHESON *RL*

SUBJECT:

Gov. Bob Scott letter re: avoidance
of disruption of health care to
Central Appalachian citizens due to
coal mine strike

The President approved your recommendation that a Federal task force be convened by HEW to deal with this problem. Please convey his decision to Gov. Scott.

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

7 December 1977

TO: THE PRESIDENT
FROM: RICK HUTCHESON *R.H.*
SUBJECT: Memos Not Submitted

1. STU EIZENSTAT sent you a copy of his recent remarks before the Washington Press Club. ✓
2. GREG SCHNEIDERS MEMO. Governor Hunt, Senator DeConcini, Representatives Boggs, Patterson, Rahall, Secretary Kreps, and Ariel and Will Durant have recommended Sen. Hubert Humphrey for the Presidential Medal of Freedom. The Medal is traditionally awarded on July 4, but may be awarded on other dates if you so desire. ✓
3. SECRETARY BLUMENTHAL and SCOTTY CAMPBELL of the C.S.C. sent you memos regarding a new name for the "Combined Federal Campaign," in response to your suggestion at the November 7 Cabinet meeting. Chairman Campbell (with Treasury's concurrence) will explore various new names with the charitable groups which make up the CFC. ✓
4. GOVERNOR BOB SCOTT, Federal CoChairman of the Appalachian Regional Commission, sent you a letter asking that you direct your staff to convene a task force which would try to avoid a disruption of health care in Central Appalachia, resulting from the coal strike. ✓

70 rural health clinics and 61 hospitals in the area receive financial support from the UMW Health and Pension Fund -- now in financial difficulty.

Watson and Eizenstat believe that Gov. Scott has overestimated the impact of the coal strike on Appalachian health care, and point out that this is a politically sensitive issue, involving a labor dispute. HEW has already been working on this problem.

Page Two

Eizenstat, Watson, McIntyre and HEW recommend that a Federal task force be convened with HEW as lead agency. The task force, consisting of officials from HEW, ARC, Labor, OMB and the White House Domestic Policy and Intergovernmental Relations staffs, would work with affected states, and bring in such agencies as EDA if appropriate.

Jim McIntyre cautions that ARC's suggestion of a Presidential task force is, in effect, an effort to subsidize the UMW Pension Fund, and recommends that HEW conduct the task force with no publicity.

 White House task force (Scott)

✓ HEW task force (Eizenstat, Watson, McIntyre, HEW)

 other _____

J

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE
WASHINGTON

MR. PRESIDENT:

I mentioned to you recently that I was giving a speech to the Washington Press Club.

I thought you might like to see an edited version. I would appreciate any comments you have regarding additional themes or other ideas which you would like mentioned in future speeches regarding domestic policy.

Stu Eizenstat

3 Dec 77

REMARKS OF STUART E. EIZENSTAT
AT WASHINGTON PRESS CLUB

November 17, 1977

I want to put into perspective what it is we have been doing, and what we are going to be doing in the domestic area, so that you see the coherence of our domestic policy. I am going to talk about some themes and give you examples under each of those themes, and I think you will find that these are themes that will be overriding in the next four years through almost everything that we do in the domestic area.

The first theme in the domestic area is openness, and it is one that the President talked a good deal about during the campaign, and that we feel we have made a good start delivering on. Regular news conferences have been held every two weeks; regular monthly meetings with question and answer sessions have been held by the President with out-of-town editors; the President has held town hall meetings, call in shows and fireside chats. These are not simply cosmetic efforts. They are efforts at trying to rebuild the confidence of the American people in the institutions of government, particularly the Federal Government, after a disastrous period of time with Vietnam and Watergate, when that institutional confidence which is really the bedrock of our democracy, has been severely challenged and eroded.

This is something that will continue; it is something we are dedicated to, and we think it is more than simply process, that it is part of the substance of the Administration itself.

The second theme is the theme of an efficient and effective Federal Government, and there are several things that we have done under that category of which we are proud.

We don't pretend that we have turned the world around overnight, but we do think we have made an honest and conscientious effort to change things and that the results are increasingly apparent.

First, reorganization. We have obtained from the Congress reorganization authority which gives us the right to submit to the Congress reorganization plans for the Executive Branch of Government. Those plans go into effect automatically unless vetoed in effect by the Congress within a given period of time, so that the burden of proof is shifted to the Congress. We don't have to round up a majority in each instance for each of our plans.

We have the burden of going forward, but it puts upon the Congress the burden of blocking the plan.

Under this reorganization authority we have submitted and now have passed the first of our reorganization plans, which is the reorganization of the Executive Office of the President. Under that plan roughly one-third of the offices and councils in the Executive Office of the President have been abolished and we will see, very shortly, up to a 25 percent reduction in the total manpower in the Executive Office.

We see this reorganization plan as setting an example for the type of reorganization that should occur throughout the Federal Government.

The second reorganization plan is now well on its way to passage. This is the reorganization of the international cultural affairs and international information agencies in government into a consolidated and coherent body.

We are now working on the third reorganization plan which will be the formulation of a plan to consolidate all the civil rights functions that are now scattered throughout virtually every one of the Federal agencies of Government into a coherent system which will be both more beneficial to those persons who are discriminated against, while at the same time being more efficient, in terms of duplication, to those against whom the inquiries are being directed.

Now, the purpose of reorganization is not simply to shift boxes from one department to another; rather it is a purpose of consolidating similar programs. It is to ask, if there are health programs in three or four agencies, why those health programs shouldn't be consolidated under one department and under one Administration. And this is the goal that, by the end of the

process -- we have been given three years under the reorganization authority -- that we will make large steps in achieving.

But making the Government more efficient and effective is not only a function of the reorganization authority that we sought; another element of that is making regulations more understandable. And we are attempting to do that by a number of means. First, by having the Cabinet Secretaries, on a personal basis, periodically review certain of their major regulations. Secondly, by having the author of the regulations sign them, so that we know who it is that has written them, and if there is confusion, that person can be called to task. And thirdly, by mandating, as the President has done to the Cabinet Secretaries, a sunset review of a selected number of regulations per year to determine whether those regulations still have any validity, or whether they can be either eliminated or vastly modified.

There is yet another element of this theme of making Government more efficient and effective, and that is an ability to begin to evaluate on a whole-sale basis all of the Government programs to measure their effectiveness. We are doing that through essentially two means, both of which are complementary and are opposite sides of the same coin.

First, on the Executive Branch side, as one side of the coin, we have instituted this year for the first time, in the fiscal 1979 budget, zero-based budgeting, under which every single program has to be ranked in terms of its priority and in which, when OMB gives a planning ceiling of a given dollar amount, any programs beyond that dollar amount again have to be ranked, so that we have some idea of how important programs beyond that budget mark are and in which each of the programs has to, in effect, rejustify its initial existence.

We don't assume that any program is sacrosanct. Each program has to be evaluated and look at. This is not the sort of system that will, overnight, show results, but I think that we will begin to see in the fiscal 1979 budget and thereafter real steps toward bringing some of the Federal programs under a better evaluative procedure and under tighter control.

The other side of the coin is sunset legislation which has been sponsored in two bills, one by Senator Muskie and then a related bill on the regulatory agencies by Senators Byrd and Percy.

We are very strongly in support of comprehensive and broad-based sunset review of legislation. Under sunset legislation, each major category of government, human resources, natural resources, et cetera, will be reviewed at least once every five years, and it will be assumed that the authorizations for each of those programs will pass out of existence unless Congress affirmatively reauthorizes the programs.

This, we think, is an excellent way to get a handle on many Government programs that simply have continued on ad infinitum without any real reexamination.

Then the last element I would mention under this theme of a more efficient and effective government is the work we are beginning to do on reducing the tremendous load of Government paperwork which is a burden not only on Government, itself, but on business and industry as well.

As a sign of our progress, the President had set a goal Governmentwide of a reduction of 7 million person hours in paperwork by the end of this year. HEW alone has exceeded that.

In January of 1977, the paperwork burden in HEW was approximately 44-1/2 million person hours. As a result of initiatives taken since that date, the paperwork burden, as of September 30, has been reduced by 10.2 million person hours, or a 23 percent reduction just in HEW alone, and of the 10.2 million hour reduction, more than 6 million of those hours have occurred within the Office of Education alone through a simplification of forms. For example, simplification of higher education grant applications. Again, this is a hard process and a long process. It is not one that is going to be changed overnight, but it is one in which progress is being made.

And in another area in terms of paperwork, OSHA, we have moved to reduce the forms in OSHA by 50 percent. We are moving away from petty harassment of small

businessmen for minor infractions toward a more broad-based concern for major safety and health matters.

This will be both more protective for the worker and will make the OSHA inspector less of a harasser, and therefore will allow the businessmen to proceed in a more expeditious way to do his business, while protecting the worker.

The third major theme that I would mention, that I think threads throughout much of what we have done in the domestic area, is a better targeting of Government programs to areas of need.

I want to emphasize that this is not a strategy which attempts in any way to favor one region over another. It is not a snowbelt strategy as opposed to a sunbelt strategy. It is simply an effort to make sure that each Federal dollar for a particular program goes where that Federal dollar is best used and we are perfectly willing for the chips, or in this case, the dollars, to fall where they may to insure that.

Two examples: We changed in a rather dramatic way the formula for the Community Bloc Grant Program. We took into account for the first time the age of a city's housing stock and the growth lag in an area's population. By so doing dramatic increases went to a number of older urban areas which were most in need of this money.

The bill which was passed this year provides \$12.4 billion of community development aid over 3 years, which is an increase of over \$2.7 billion over the previous funding levels. Of that amount there is a tremendous additional amount targeted to areas such as Detroit, Cleveland, New York and older areas which were most in need of community development funds; so that those funds are being used in the most efficacious way, we believe.

Secondly, we changed the formula allocation for the accelerated public works program. By so doing, and taking into account particularly the incidence of unemployment, again we were able to make sure that those funds were not simply allocated on an equal basis to each one of the 435 Congressional districts, but money was targeted to the areas of high unemployment, be they rural or urban, where those funds were most needed.

A second element under our economic strategy in addition to keeping the growth of the economy healthy in a non-inflationary way, is to foster increased competition through regulatory reform. And the first down payment on that commitment was our proposal for airline deregulation. When we started out with airline deregulation at the beginning of this year, we had about two or three votes in the Cannon Committee. Only a couple of weeks ago that bill passed overwhelmingly out of the committee. It would be a major reform in the regulatory area which would set the trend for regulatory reform in other sectors of the economy.

What we want to see in the airline industry is a situation in which airlines can more freely exit and enter routes, in which there can be price competition and competition for things other than frills, stewardesses and meals -- but real competition which is at the heart of our free enterprise system, and which will have a major anti-inflationary impact.

Then the last point I would make under the economic theme is the fact that we are attempting to attack inflation. We are doing it in two ways: First, in every decision we make we factor in the potential inflationary impacts; secondly, by direct means, such as airline deregulation and such as the hospital cost containment legislation that we submitted. Hospital cost containment legislation is one of the most important proposals we will go to the heart of the inflationary problem in the hospital sector.

Inflation in the hospital area is growing at twice the rate of inflation in the economy as a whole. This will put tight caps on hospital expenditures and capital outlays and if it passes, and we expect it to pass next year -- it has made good progress through both sides of Congress -- it will be a major cornerstone in our fight against inflation.

Then, fifth, and in a sense overriding all the other things that I have mentioned, is the theme which I would put this way: For the first time in a number of years, we have a President and a Government that is willing to address in a comprehensive and aggressive way the major problems facing our country.

There are essentially three ways a President can handle problems. The first way is essentially to ignore

the problems completely; pretend that they don't exist; don't raise the level of attention of the public to them; let them drift along; don't raise them above the level of a tranquil sea. In some respects this is really the easiest political avenue because unless people are made aware of problems, they generally will not be aware that they exist at all.

After all, action can always be deferred for a year or two on just about anything.

The second way to deal with problems is to attempt to raise them, but to suggest incremental and easy solutions which do not get to the heart of the problem.

Three examples: We could have said that our solution to the welfare problem was a billion, a billion and a half or two billion dollars of fiscal relief to states and localities and gotten it passed quickly, and called that welfare reform. We could have suggested a decoupling of wages and benefits to solve our Social Security problem and called that the solution to our Social Security problem.

We could have sent up a conglomeration of energy tax credits which would have been easy to pass and called that a solution to our energy problem.

This would have given us the opportunity to wave a piece of paper in front of the public, to say that we solved the problem, to make it appear that it had gone away and for three or four years perhaps gotten away with it. But the problem is that wouldn't have solved the problem. It would have only deferred it. It would have only postponed it either to another President or to another generation of Americans who would have had even more difficulty coping with the problem because we refused to face up to our responsibilities. That is simply not the way we intend to proceed. We intend to proceed in a third way: that is, to address a problem, to raise it to the level of public attention if the problem is severe enough and to propose comprehensive solutions that are addressed to the real problems that we face.

This means that we are saying there are no quick fixes and easy solutions. That is not the easiest way.

The people would like to think that problems can be solved with ease and that they will go away. And we are trying to say that on these fundamental problems of

energy and Social Security and tax reform, and welfare reform that there are no easy solutions; that our urban problem has been allowed to drift for decades, that our tax situation has become an absolute conglomerate mess and our welfare system is demeaning to recipients and burdensome to taxpayers; that our Social Security system is in jeopardy -- Disability Insurance Fund will literally be bankrupt in 1979 if we do not do anything. The Old Age Security Insurance Fund, which is the bulk of the system will be bankrupt in 1983 if we don't do anything.

These are problems which have to be raised although it is often times not politically popular to do so, and they are problems which ought to be addressed in a fundamental way so that people have the confidence that we are not simply trying to pass these problems on to another generation in an even a worse situation.

We don't pretend that Congress should pass all of these at the same time overnight. And indeed, they were presented to Congress with specific timetables in mind, so that one would not overlap on the other. For example, when we submitted welfare reform, we did so with the clear statement and understanding from Congressional leaders that Congress, except through subcommittee, would not pass it until next year. As a matter of fact, by bringing it up earlier, we are allowing Congressman Corman and Senator Moynihan to do important background work so that we can hit the ground running next year. But it wasn't a question of throwing programs out that interfered with the passage of the other programs. Even when the programs went to the same committee, we were always aware of it and we were always attempting to make clear the timetable that we foresaw for Congressional passage.

We have enjoyed terrific cooperation from the leadership and from the Members of Congress. Before this session is out, I believe that this will go down as one of the most productive Congresses since the early part of the New Deal.

Since the commencement of this Congress we have been able to achieve the following: We have more than doubled the number of public service jobs, 310,000 to 725,000 by the end of this fiscal year; we have added \$4 billion to our public works jobs program; we have provided \$1.5 billion in increased countercyclical aid to help hard-pressed cities hurt by the recession; we

have passed the innovative Youth Employment Act which offers almost a quarter of a million jobs to hard core unemployed young people, and which will provide a foundation for future efforts in the youth unemployment area; major reorganization authority and by the time Congress is out, passage of both of our reorganization plans; major amendments to the Clean Air Act; a new stripmining bill which Congress for years has been trying to pass into law and which has ended an era of uncertainty in the whole coal industry; a major comprehensive farm bill with major food stamp reform; through elimination of the purchase requirements so that poor people can now afford the benefits of the Food Stamp Program; strong anti-boycott legislation; a \$400 million per year urban action grant program which gives the Secretary of Housing and Urban Development power to focus money to distressed cities in a way that will leverage private investment and that will be a real incentive to urban areas; and, we hope, by the end of this year both a good, sound Social Security bill and an acceptable, energy bill.

None of the things that we have suggested have been suggested because they are the easy solutions. We have suggested them because we think they are the right solutions. One may disagree with the particular solution we have tried, but I don't think there can be disagreement that the solutions that we have come up with have been an honest effort to say to the American people, "Here is a problem, and here is how we are going to address it."

In the energy area, if our bill passes, or even the House version passes, we will be saving millions of barrels of oil per day and we will be increasing the time that we as a nation have to apply our technology to develop resources of a renewable nature so that we will arrest, in the future, our growing dependence on foreign oil.

In the Social Security area, we proposed a bill that would have made the Social Security system actuarially sound for the next 75 years, so that literally barring some unforeseen situation, we would have had a system that did not need to be tinkered with at all for that length of time and following our lead, both Houses of Congress have passed, although in somewhat modified form, bills which will make the system sound well through the balance of this entire century. Congress should not

have to be increasing taxes for the Social Security system through the balance of this century.

This is the way we think problems ought to be addressed. And it is the way that we hope we will continue to address them. I believe that when our urban policy comes out in March that you will see that that urban policy builds on the types of broad, comprehensive recommendations we have made in the other areas.

As I mentioned and alluded to earlier, it will be a program that will focus on job and economic development and that will attempt to provide incentives for private industry to invest in our distressed areas.

We are proud of our progress in the domestic areas and we intend to build on that progress. Thank you.

THE WHITE HOUSE

WASHINGTON

Date: November 30, 1977

MEMORANDUM

FOR ACTION:

Chairman Campbell *assailed*

FOR INFORMATION:

The Vice President

Midge Costanza *concur*

Jack Watson *by phone - concur*

Hugh Carter

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Blumenthal memo dated 11/29/77 re New Name for the
Combined Federal Campaign

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 10:00 AM

DAY: Friday

DATE: December 2, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

Tues AM
Bill call CSC
(Geo McDougal) - will call back
632 6108
Alternative view drafted - problems
w/ new change of name.
Will call back w/ when it should
be exp

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE
WASHINGTON

/	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION
FYI

Action: *Scotty Campbell*

/	MONDALE
/	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
/	WATSON
	LANCE
	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to
Carp/Huron within
48 hours; due to
Staff Secretary
next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
/	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN



UNITED STATES CIVIL SERVICE COMMISSION

WASHINGTON, D.C. 20415

DEC 2 1977

IN REPLY PLEASE REFER TO

YOUR REFERENCE

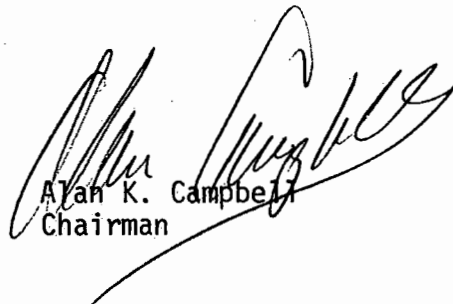
MEMORANDUM FOR THE PRESIDENT

Subject: New Name for the Combined Federal Campaign

Secretary Blumenthal has shared with me his memorandum of November 29 about renaming the Combined Federal Campaign and suggesting that it be called the "Federal United Way".

We do believe that this is an appropriate time to look for a new and more descriptive name for the Combined Federal Campaign. However, in addition to the United Way, the Combined Federal Campaign involves the American National Red Cross, the National Health Agencies, and the International Service Agencies. These groups would find the United Way designation unacceptable.

It is my belief that consideration of a new name is best undertaken in consultation with the four principal participating charitable groups. This consultative approach also conforms with the letter and the spirit of E. O. 10927. With your approval, I propose to proceed with such consultation.


Alan K. Campbell
Chairman

SPECIAL



THE SECRETARY OF THE TREASURY
WASHINGTON 20220

November 29, 1977

MEMORANDUM FOR THE PRESIDENT

Subject: New Name for the Combined Federal Campaign

At the Cabinet meeting on November 7, when I reported on the Combined Federal Campaign (CFC), you suggested that the program be renamed so its purpose would be more apparent.

The CFC is part of the nationwide United Way effort. Accordingly, and to take advantage of the public recognition of the United Way name, the CFC might be renamed "Federal United Way". We have considered a number of possibilities and this seems to fit best.

The Civil Service Commission has the continuing responsibility for the Combined Federal Campaign and your thoughts on this matter should be shared with them also.

W. Michael Blumenthal

cc: The Honorable
Alan K. Campbell

Date: November 30, 1977

MEMORANDUM

FOR ACTION:
Chairman Campbell

FOR INFORMATION:
The Vice President
Midge Costanza
Jack Watson
Hugh Carter

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Blumenthal memo dated 11/29/77 re New Name for the
Combined Federal Campaign

**YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:**

TIME: 10:00 AM

DAY: Friday

DATE: December 2, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☒ I concur.

☐ No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)



THE SECRETARY OF THE TREASURY
WASHINGTON 20220

November 29, 1977

MEMORANDUM FOR THE PRESIDENT

Subject: New Name for the Combined Federal Campaign

At the Cabinet meeting on November 7, when I reported on the Combined Federal Campaign (CFC), you suggested that the program be renamed so its purpose would be more apparent.

The CFC is part of the nationwide United Way effort. Accordingly, and to take advantage of the public recognition of the United Way name, the CFC might be renamed "Federal United Way". We have considered a number of possibilities and this seems to fit best.

The Civil Service Commission has the continuing responsibility for the Combined Federal Campaign and your thoughts on this matter should be shared with them also.

W. Michael Blumenthal

cc: The Honorable
Alan K. Campbell

THE WHITE HOUSE

WASHINGTON

December 7, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Greg Schneiders *Greg*
SUBJECT: Recommendation of Hubert Humphrey for
the Presidential Medal of Freedom
For Your Information

The following distinguished Americans, among others,
have recommended Senator Hubert Humphrey for the
Presidential Medal of Freedom:

Governor Jim Hunt
Senator Dennis DeConcini
Congresswoman Lindy Boggs
Congressman Jerry Patterson
Congressman Nick Rahall
Secretary Juanita Kreps
Ariel and Will Durant

As you know, the Medal is traditionally awarded around
the 4th of July each year. However, there is no
restriction on awarding it at other times of the year
if you so desire.

THE WHITE HOUSE

WASHINGTON

Date: November 30, 1977

MEMORANDUM

Joint memo
FOR ACTION:

Stu Eizenstat } *attached*
Jack Watson } *attached*
Jim McIntyre - *attached*

FOR INFORMATION:

The Vice President
Frank Moore

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Scott letter dated 11/30/77 re avoidance of
a disruption of health care to Central Appalachian
citizens due to coal mine strike

**YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:**

TIME: 12:00 Noon

DAY: Friday

DATE: December 2, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

*→ Bill -
when SE
connected?*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE
WASHINGTON

December 3, 1977

The Vice President
Stu Eizenstat
Frank Moore
Jack Watson
Greg Schneiders

The attached is forwarded to you for
your information. The Scott letter
in reference was sent to you on 11/30/77.

Rick Hutcheson

AVOIDANCE OF A DESCRIPTION OF HEALTH CARE
TO CENTRAL APPALACHIAN CITIZENS DUE TO
COAL MINE STRIKE

THE APPALACHIAN REGIONAL COMMISSION

1666 CONNECTICUT AVENUE
WASHINGTON, D.C. 20235

November 30, 1977

OFFICE OF
FEDERAL COCHAIRMAN

The President
The White House
Washington, DC 20500

Dear Mr. President:

Since it appears there will be a strike by coal miners on December 6, which some experts indicate will be rather lengthy, there is urgent need to make plans to avoid a disruption of health care to citizens in Central Appalachia.

The imminent danger is that 70 rural health clinics and 61 hospitals will be adversely affected to the point of drastic reductions of health services throughout the coal fields. This situation is brought about by the fact that considerable financial support for these health care facilities is derived from the United Mine Workers Health and Pension Fund - now in grave financial difficulty.

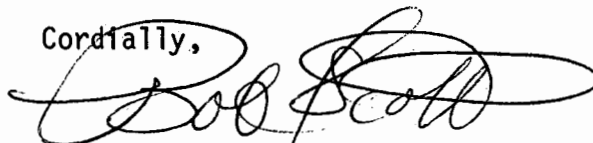
The impending strike can only make a bad situation worse. For example, in West Virginia alone, there are 200,000 fund beneficiaries out of a population of two million. In addition, there are many citizens who have no options, and who are not miners or members of miners' families, who will be without health care. It seems that this Administration has an obligation to take steps to prevent this from happening.

I recommend that you take the following steps:

- 1) Direct an appropriate member of your staff to convene a task force of top officials from ARC, HEW, EDA, FaHA, and the states affected to address the problem.
- 2) Require a report with a recommended solution(s) for your consideration by December 15.
- 3) If approved by you, designate someone in the EOP to make certain the recommendations are carried out.

The citizens of Appalachia will be grateful for your attention to this matter.

Cordially,



ROBERT W. SCOTT
Federal Cochairman

I. BACKGROUND

On November 23, 1977, the United Mine Workers Health and Retirement Funds announced that the Funds would cease to reimburse for health care after December 6, the day the present contract with the coal operators expires.

Putting aside the legal or political implications of this decision by the three trustees of the Funds, the practical effect is that the Funds do not have the money to continue to reimburse beyond the end of December. The Funds currently spend approximately \$25 million a month for health care to 800,000 beneficiaries. The central fact is that approximately 61 hospitals and 70 clinics in six Appalachian states (Pennsylvania, West Virginia, Kentucky, Ohio, and Tennessee) will lose anywhere from 60% to 80% of their revenue after December 6.

The immediacy of the problem is heightened by the action of the Funds last July 1 to initiate a new reimbursement process based on fee-for-service with sizable deductibles rather than retainer payments. Many of these same clinics and hospitals have been experiencing reductions in revenues and dipping into reserves for up to six months. Many have already reduced personnel and services to accommodate the reduced revenue and utilization. Almost all the clinics and hospitals will only provide acute emergency care or close their doors within three months of a strike.

Besides the lack of health care in many areas, the long-term result of losing a large number of doctors and other health professionals to these rural areas is astounding. Recruitment and retention of health professionals, particularly medical doctors, is one of the most difficult, time-consuming but essential elements in providing for health care in rural areas. Additionally, the clinics, for the most part, serve other than the mine worker population (60% miners, 40% other). The other 40% served are mostly indigent patients for which the facilities are not reimbursed for treatment either by the patient or Medicare/Medicaid. Serious cutbacks and shutdowns will therefore intensify the already serious problem of providing health services to indigent (working poor) people.

II. POTENTIAL RESPONSES:

1. Direct Grants

a. Appalachian Regional Commission:

The individual states could allocate some portion of their ARC dollars. The duration of the strike would most affect the viability of this response.

b. Economic Development Administration:

EDA has authority to make grants to stabilize "large" employers. This response would be more appropriate to larger hospitals and groups of clinics.

c. Health, Education and Welfare:

Under the Rural Health Initiative Program, HEW has the authority to make operating grants to provide health care in rural areas. HEW currently uses this authority. The difficulty here would be to get an ongoing bureaucratic program to respond quickly and whether there is enough loose or new money to be of help.

2. Loans

a. The Farmers Home Administration

The Economic Development Administration

Both of these Agencies have the authority to make and/or guarantee loans for business and industrial development. EDA also has some new authority for funding health projects that needs to be explored.

b. The Appalachian Regional Commission

The Commission has flexible authority to conduct a loan program, but no funds in this fiscal year.

3. Supplemental Requests

A supplemental appropriation to any one or more of the agencies with authority to provide assistance.

THE WHITE HOUSE

WASHINGTON

December 2, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT
JACK WATSON

SUBJECT:

Scott Letter dated 11/30/77 re:
avoidance of disruption of health
care to Central Appalachian citizens
due to coal mine strike

Governor Scott's letter overestimates the impact of the coal strike on health care in Appalachia. Nevertheless, the strike will undoubtedly create significant problems for many hospitals and clinics. Therefore, we agree with Governor Scott that a task force should be established.

We recommend that the task force consist of officials from HEW, ARC, Labor, OMB, Intergovernmental Relations and the Domestic Policy Staff. The task force should work with the affected states and bring in such agencies such as EDA if necessary.

Although Governor Scott recommends that a member of your staff convene the task force, we believe that HEW, which has already begun working on this problem, should be the lead agency. Since this is a politically sensitive issue, involving a labor dispute, it makes more sense to have HEW the focus of attention rather than the White House. HEW is willing to be the lead agency.

We have talked with Jim McIntyre, and he agrees with our recommendation.



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

December 2, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Jim McIntyre *Jim McIntyre*

SUBJECT: Scott Letter Dated November 30, 1977 re
Avoidance of a Description of Health Care
to Central Appalachian Citizens Due to
Coal Mine Strike

We have reviewed the Scott memorandum on the above subject, and have the following concerns and suggestions.

We would recommend that we get agency reaction to the situation as soon as possible by convening a small task force to address the following:

1. What, if any, are the applicable Federal or State laws relating to the regulation and operation of the United Mine Workers Health and Pension Fund?
2. What portion of those presently receiving health care support from the UMW would be eligible for similar support from Federal or State programs?
3. What existing programs could be redirected, if such was desired, to provide support to Appalachian health care institutions?
4. What are possible long-term responses to the problem?
5. What part of the hospitals and clinics operating budgets are currently funded by UMW, Medicare, Medicaid, and non-mine worker health insurance plans?
6. What are ARC's capabilities for emergency support of this type without assistance from other Federal agencies?

7. What is the current size of the Federal health support effort in the five States in question?

In addition to the above and simultaneously, ARC should be asked to do a more in-depth analysis of the problem State by State. Also, the program basis for assisting the striking mine workers, but not other strikers is not delineated in the ARC letter and needs to be addressed.

Based on a fast 2-day agency reaction and the ARC assessment, an appropriate Federal task force, if needed should be convened to consider and implement special actions analyzed. This effort would be coordinated with the appropriate States.

The above suggestions would serve to head off some major concerns of the OMB program divisions which have already been expressed. Some of these concerns are as follows:

- equity - Federal subsidies for the anticipated strike through HEW grants is a dangerous precedent and of questionable equity.
- costs - It would be extremely difficult to phase out "emergency" assistance to the hospitals and clinics affected once the strike is over. Moreover, the basis for the grants is unclear.
- rural clinics - The President is considering recently passed legislation (H.R. 8422) to increase Medicare and Medicaid reimbursements to rural clinics which can partially address the problem ARC identifies.

The specific problem identified by ARC co-Chairman Scott is only one facet of the broader issue of providing health insurance for the unemployed. The last Congress carefully considered the question of a Federal role in assuring health coverage for the unemployed and concluded that a workable and equitable proposal could not be developed outside the context of national health insurance, generally. It is not clear what the special "obligation" of the Federal Government is to this particular group of strikers.

In addition to the above comments, I have attached for your review some preliminary analysis of Scott's recommendations concerning potential responses.

You should be aware that the issues raised by the ARC to convene a Presidential Task Force to solve the problems of health care to Central Appalachian citizens is in effect an effort to subsidize the UMW Pension Fund. This has the following political implications:

- establishes precedents for future labor strikes funded by pension funds
- will definitely affect on-going labor contract negotiations between the union and the industry and tilt bargaining in favor of the union.

In summary, I recommend that Secretary Califano, HEW, be the lead Federal official to chair a small low-key inter-agency task force with no publicity. The task force should first, obtain a full situation report for the President; and secondly, plan federal responses if appropriate. Vince Puritano and his staff can participate for OMB to assure an input and coordination of the various OMB program divisions involved.

Attachment

Economic Development Administration

EDA indicates they may be able to provide assistance under Title 9 of the Public Works and Economic Development Act of 1965.

The rationale used by EDA is to preserve the employment of the hospital staff.

EDA would support grants to State who in turn make grants and loans to health care facilities.

Restrictions on grants and loans must be to non-profit organizations. State however, can give loans to private project institutions at a percentage rate to be determined.

Farmers Home Administration

Farmers Home Administration has a loan program that could be used to provide health care in rural areas. Loan is for business/industry/private citizens at the current market rate of interest. Over \$1 billion is available which is triple the amount funded in FY 77.

Farmers Home Administration also has a community facilities program at a 5% rate. Approximately \$250 million available. In the past, almost half of these funds have been used for health care facilities.

Health, Education and Welfare

HEW does have the authority under the rural health initiative program to make operating grants to provide health care in rural areas, and is currently using this authority.

HEW has indicated that if additional funds are requested they will need a supplemental.

Appalachian Regional Commission

Area Development Funding - ARC's budget for 1978 indicates \$105 M for "area development." These funds are allocated to the States for use, at their discretion, for a wide variety of "human resources" purposes, including for health services in Appalachia. States can pass through the funds directly to localities or can provide loans to localities.

The ARC does not have a separate loan program "per se". All funding is funneled through the "area development" program, from which loans or grants can be made.

The best ARC could do is try to convince the States to apply funds to health services programs. They currently do not direct States to use funds for only specific project type.

If this is a problem in 1979, OMB anticipates that ARC will be receiving +\$20 M through their budget appeal (they are not aware of this yet, however). It would be relatively easy to apply these additional funds to health services, but we suspect that this is too late to be any good.

THE WHITE HOUSE
WASHINGTON

F.Y.I., in event you
may receive phone call
concerning attached.

THE WHITE HOUSE
WASHINGTON

Electrostatic Copy Made
for Preservation Purposes

December 8, 1977

cc. President
C

MEMORANDUM FOR FRANK MOORE

FROM: DAN TATE DT/BR
SUBJECT: DECEMBER 8 CONVERSATION WITH RUSSELL LONG

After he visited with Secretary Califano, Senator Long talked with me for almost two hours. In a separate report you received the Senator's views on the social security bill, but you may be interested in some of the other matters we discussed.

ENERGY

Senator Long said he talked with the President briefly yesterday about the idea of giving individuals a \$100 tax credit for investing in energy enterprises and companies, the qualifying enterprises and companies to be determined by the Secretary of Energy. Long says this approach would stimulate some \$7 billion in additional capital for energy research, development, and production each year. Senator Long expressed an interest in exploring this idea with the President personally. Assuming that we are not going to support this idea, we must take prompt action to nudge Senator Long back on track and toward working out an acceptable energy tax bill in conference. This morning at 9:30 a.m. I will mention this to Bobby Shapiro and urge him to try dissuading Senator Long.

The fact that Senator Long is groping for this or any other relatively simple solution indicates the following to me:

1. He still does not know exactly what he wants out of the energy bill other than some significant but still nebulous "production incentives";
2. He erroneously believes that Dr. Schlesinger's proposed administrative action dealing with the composite price does little more than give the industry what it is already rightfully entitled to; and

3. He is becoming increasingly frustrated that the pieces have not fallen together in the tax conference.

Senator Long has a history of developing theories and ideas which he espouses for several days and then drops. In my view, Senator Long can be shown some of the shortcomings of his \$100 tax credit approach, but the real danger at this time is that he will pursue this idea, wasting valuable time and sidetracking other compromise efforts.

I believe that Jim Schlesinger should also attempt to disabuse Long of this idea. As I mentioned earlier, Long may want to pursue this approach in a meeting with the President. I hope that through my efforts with Bobby Shapiro and through Schlesinger's efforts, such a meeting can be avoided. You may want to consider mentioning this situation to the President so that he will be prepared in the event that Long calls him on the telephone.

BIPARTISANSHIP

Long strongly urges that the President begin to work more closely with Republicans, particularly those who have a tendency to agree with us philosophically on many issues. Long says that if the Republicans feel they have not been excluded for partisan reasons, they will be less obstreperous. Long forges his coalitions using Republicans and he believes that if we continue to operate on a largely partisan basis we will have increasing trouble getting legislation through the Senate. In my view Long has a legitimate point to consider, but he may have been merely trying to justify support for the Roth tuition tax credit amendment to the social security bill.

PERSONAL REFERENCES TO THE PRESIDENT

Senator Long obviously likes the President personally. He spoke glowingly of the President's personal values. He also said that the private dinner that he and Mrs. Long had with the President and the First Lady at the White House was "the nicest thing that any President has ever done for us." Finally, he mentioned that Mrs. Long was elated because the First Lady invited her to tour a nursing home during an upcoming trip.

THE WHITE HOUSE
WASHINGTON

December 5, 1977

The Vice President
Jack Watson

The attached is forwarded to
you for your information.

Rick Hutcheson

CABINET MEETINGS

ADMINISTRATIVELY CONFIDENTIAL

SAF

THE WHITE HOUSE

WASHINGTON

December 7, 1977

S 12/8/77
to B. Linder

MEMORANDUM FOR THE PRESIDENT

FROM: Bob Lipshutz *BL*

Attached is a letter which I have drafted relative to the resignation of Pete Flaherty.

THE WHITE HOUSE

WASHINGTON

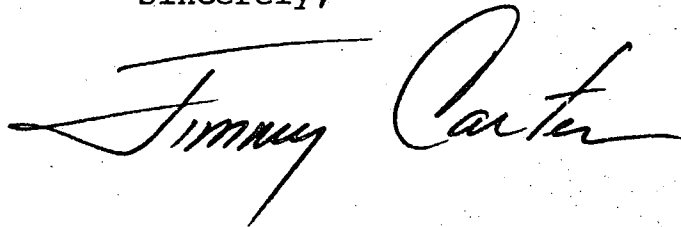
To Peter F. Flaherty

This will acknowledge receipt of your letter of December 2, 1977, submitting your resignation as Deputy Attorney General.

With sincere regret, I accept your resignation. Our Administration will miss the benefit of your talent and energy.

Whatever direction your personal career shall take you in your home state of Pennsylvania, please be assured that you have my personal friendship and best wishes for success and personal gratification.

Sincerely,

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned below the word "Sincerely,".

Honorable Peter F. Flaherty
Deputy Attorney General
U. S. Department of Justice
Washington, D. C. 20530

THE WHITE HOUSE
WASHINGTON

December 8, 1977

Stu Eizenstat
Bob Lipshutz

The attached was returned in the President's outbox today and is forwarded to you for your information. The signed original has been given to Bob Linder for appropriate handling.

Rick Hutcheson

cc: Bob Linder

CAB DECISIONS - Dockets 29873, 30687,
30256, 28898, 31545, 31382

C

THE WHITE HOUSE

WASHINGTON

December 5, 1977

MEMORANDUM TO THE PRESIDENT

FROM: STU EIZENSTAT
BOB LIPSHUTZ

*Stu
RJZ*

SUBJECT: CAB DECISIONS:
Daetwyler Airfreight Corp - Cocket 29873
S.A. De Transport Aerien - Docket 20687
Jugoslovenski Aerotransport - Docket 30256
Trans-Provincial Airlines, Ltd - Docket 28898
Aerolineas Argentinas - Docket 31545
Compania Mexicana De Aviacion, S.A. 31382

The CAB has awarded routes to six foreign air carriers.
These routes are:

- 1) Acapulco - Kansas City
(to Compania Mexicana De Aviacion)
- 2) New York and Miami - South and Central America
(to Aerolineas Argentinas)
- 3) British Columbia - Alaska
(to Trans-Provincial Airlines, Ltd.)
- 4) Europe - U.S. charter flights
(to Jugoslovenski Aerotransport)
- 5) Europe - U.S. charter flights
(to S.A. De Transport Aerien, a Swiss carrier)
- 6) Cargo flights between the U.S. and any points
outside the U.S.
(to Daetwyler Airfreight Corp., a Swiss carrier)

-2-

These awards are routine and noncontroversial. All agencies recommend that you approve them by signing each order where indicated.

Approve ✓ Disapprove

THE WHITE HOUSE
WASHINGTON
December 8, 1977

Zbig Brzezinski

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Jack Watson
Tim Kraft

RE: OVERSEAS TRAVEL OF SENIOR
ADMINISTRATION OFFICIALS

THE WHITE HOUSE
WASHINGTON

<input type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

ACTION	FYI	
<input type="checkbox"/>	<input type="checkbox"/>	MONDALE
<input type="checkbox"/>	<input type="checkbox"/>	COSTANZA
<input type="checkbox"/>	<input type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	<input type="checkbox"/>	JORDAN
<input type="checkbox"/>	<input type="checkbox"/>	LIPSHUTZ
<input type="checkbox"/>	<input type="checkbox"/>	MOORE
<input type="checkbox"/>	<input type="checkbox"/>	POWELL
<input checked="" type="checkbox"/>	<input type="checkbox"/>	WATSON
<input type="checkbox"/>	<input type="checkbox"/>	McINTYRE
<input type="checkbox"/>	<input type="checkbox"/>	SCHULTZE

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER

Comments due to
Carp/Huron within
48 hours; due to
Staff Secretary
next day

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input checked="" type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	GAMMILL

<input checked="" type="checkbox"/>	KRAFT
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	MOE
<input type="checkbox"/>	PETERSON
<input type="checkbox"/>	PETTIGREW
<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	VOORDE
<input type="checkbox"/>	WARREN

THE WHITE HOUSE

WASHINGTON

December 7, 1977

ACTION

MEMORANDUM FOR: THE PRESIDENT

FROM: ZBIGNIEW BRZEZINSKI *ZB.*

SUBJECT: Overseas Travel of Senior Administration Officials

During the administration of President Nixon, the White House asked Cabinet officers to report prospective overseas travel for clearance and the White House and NSC coordinated the itinerary with the Department of State. The procedure was established to insure that a visit by an Administration official to a particular country did not jeopardize foreign policy objectives at a sensitive period and preclude the possibility of having two or more officials independently visit the same country during the same period, as well as provide State Department briefings and assistance as required for the travel.

State and the NSC recommend continuing the procedure, except for White House personnel, which would continue to be handled through Tim Kraft, my office and State. Tim Kraft and Phil Wise concur. A memo to the Cabinet is attached at Tab A for your approval. No previous instruction has been issued since 1971. It is also recommended that a similar memo be circulated to the White House Staff.

RECOMMENDATION

That you approve the memo to the Cabinet at Tab A.

Approve *[initials]*

As amended *[checkmark]*

Minimum prior notice to NSC should be required, & if there are unwarranted delays in NSC & State the trip should be made

J.C.

Also, If no comment is made by NSC or State or

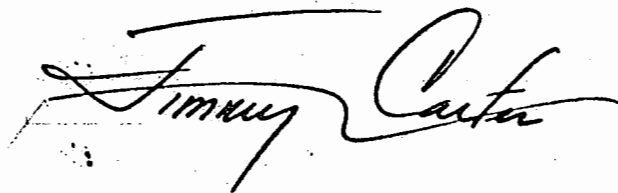
THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE HEADS OF EXECUTIVE

DEPARTMENTS AND AGENCIES

Travel abroad by senior officials of the Federal government is an important part of the Administration's conduct of foreign policy. To insure that such travel is planned and timed in the best interests of overall foreign policy considerations, the Department of State has been asked to establish a set of procedures for the notification of travel plans by senior Administration officials (to include Assistant Secretary level and above or the equivalent). When you or senior members of your Department or Agency are contemplating a trip abroad, the National Security Council is to be informed and provided with information on the purpose of the trip and expected date of departure prior to confirming travel plans with foreign government representatives. The NSC is to consult with the Department of State, which will implement a review of the prospective travel and, if necessary, suggest to the NSC such modification as may be considered appropriate. After the trip is cleared, the Department of State will provide facilitative assistance and substantive briefings, if desired.

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned in the lower right quadrant of the page.

THE WHITE HOUSE
WASHINGTON

December 8, 1977

Frank Press

The attached letter was returned in the President's outbox today and is forwarded to you for your information. The signed original has been given to Stripping for delivery.

Rick Hutcheson

cc: Stripping

THE WHITE HOUSE
WASHINGTON

December 8, 1977

Jim Fallows

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

RE: LETTER TO PETER GOLDMARK

THE WHITE HOUSE

WASHINGTON

December 7, 1977

*Jason - Tell
Jim to omit
"shock" in the
future
J*

MEMORANDUM FOR THE PRESIDENT

FROM: Frank Press *FP*

Peter Goldmark, to whom you awarded the National Medal of Science, was killed in an automobile accident this morning. You may recall he is the individual who invented the LP record and gave you the first pressing.

~~I will arrange for a letter to be written to Mrs. Goldmark for your signature.~~

Jim Fallows edited the attached letter.

**Electrostatic Copy Made
for Preservation Purposes**

THE WHITE HOUSE

WASHINGTON

December 7, 1977

To Mrs. Peter Goldmark

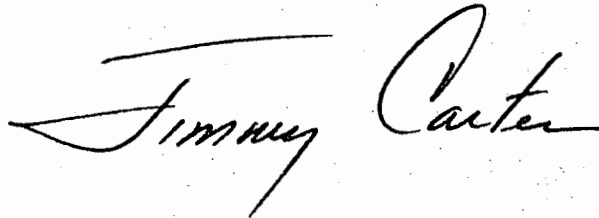
It was with profound shock and sorrow that I learned today of the death of your husband. A tragic accident has deprived our nation of one of its most inventive and productive engineers and a person held in esteem and warm affection by his colleagues and all those privileged to know him.

Only a little more than two weeks ago, I had the honor and pleasure of presenting Peter Goldmark with the National Medal of Science. That award, significant as it was, represented only a fraction of the gratitude the American people owe to your husband. His ideas and inventions have helped to bring education, entertainment, and culture into homes everywhere. His work made the lives of millions fuller and richer.

Rosalynn and I will treasure the original pressing of the first long-playing record which he so graciously gave to me at the awards ceremony. It was a gesture typical of the generous and thoughtful person he was.

On this sad occasion, our thoughts and deepest sympathies are with you.

Sincerely,

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned below the word "Sincerely,".

Mrs. Peter Goldmark
1318 Rockrimmon Road
Stamford, Connecticut 06903

THE WHITE HOUSE
WASHINGTON

12/14/77

Mr. President:

Eizenstat has no comment.

Rick

Electrostatic Copy Made
for Preservation Purposes



THE PRESIDENT HAS SEEN.

C/

Department of Energy
Washington, D.C. 20585

December 8, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

JIM SCHLESINGER

SUBJECT: Status Report on Rationing Plan

I recently informed you that we were evaluating the entire credit card rationing proposal which I earlier described to you. This memorandum describes the status of our work on the design of a new gasoline rationing plan based upon that further evaluation.

Our analysis has indicated that we should focus our efforts towards a modified coupon plan that would take advantage of many of the favorable features of the credit card concept but which would not have many of the drawbacks. In particular, the credit card system would depend heavily on service station personnel to punch cards for all gasoline sold and to refuse motorists with cards fully punched. The card system could be easily abused, since there is no built-in financial incentive for service station attendants to prevent their carelessness or cooperation with motorists who would overdraw their account. Rationing credit card transactions would also be cumbersome and unfamiliar to many people who do not customarily use credit cards. Finally, such a plan would require establishment and successful operation of an enormous data processing system capable of monitoring 130 million accounts for non-compliance.

Development work on the modified coupon plan is now proceeding. We expect to have the major outline of the plan ready for your review within the next three months, with a final plan ready for submission to Congress during the spring. Our work to date has indicated that a plan having the following features may be feasible and relatively easy to implement:

- ° Ration coupons, printed by the Bureau of Engraving and Printing, could serve as the basic evidence of a motorist's right to

purchase gasoline. The coupons would be similar in size and appearance to currency, and would be about as difficult to counterfeit. ✓

- ° Coupons could be distributed to eligible motorists in each community by banks. Normal Federal Reserve channels possibly could be used for distributing new currency.
- ° To the extent possible, individual allotments would likely be based on motor vehicle registrations in each state.
- ° Once the system becomes operational, ration coupons would circulate much like ordinary currency but would only be valid for a stated time period.
- ° The system, under normal circumstances, would allow the same allotment for each registered automobile. Registered motorcycles, which are separately identifiable on DMV lists, would receive a smaller allotment, and larger trucks, also identifiable, would receive a larger allotment than that given to automobiles. Initially there would be a basic system of priorities whereby certain vehicles, such as those used for police and ambulance services, would receive larger allotments, with finetuning of the system to take place after some period of experience with the initial system.
- ° Any inequities resulting from the general method of allocation could be solved by the vehicle owner either through the purchase of additional coupons on the "white market" (see discussion below) or by application to a designated state office for an appropriate allocation from the state hardship reserve. This reserve would consist of a specified percentage of total ration rights which would be given to the states to allocate on a case-by-case basis to prevent hardship.

After looking closely at the "white market" issue, I believe we have little alternative but to permit such a market. There is no question but that a "white market" could lead to some complaints that it favors those who

can afford to pay the price. But this problem of perception appears to be far outweighed by the following advantages of a "white market":

- (1) The "white market" would permit use of the most simple of the possible allotment systems. Without a "white market," it would likely be necessary for political or economic reasons to establish a complicated allotment formula to prevent gross inequities, but such a system would be costly and time-consuming to implement and would require a large bureaucracy to administer.
- (2) The "white market" would allow a market mechanism to even out the hardships of a tight gasoline supply by allowing those in need to purchase excess entitlements from others. New or growing businesses, foreign visitors, those who have an urgent, one-time need for a large supply and others similarly situated would all be able to secure ration rights through a "white market."
- (3) The "white market" would eliminate the expensive and difficult job of preventing the illegal exchange of ration rights. A black market would almost certainly develop during rationing if a "white market" were not permitted and would be almost impossible to police.
- (4) The "white market" would give strong incentives for avoiding wasteful uses of fuel, since every ration right saved can be converted to cash. This could be especially beneficial to low-income households.

I believe that our work will provide a rationing plan that can be implemented quickly and operated effectively. We will aim for simplicity in procedures and an absence of a large Federal bureaucracy to administer the system.



Department of Energy
Washington, D.C. 20585

THE PRESIDENT HAS SEEN.

cc Jim
Any resale may open
door for counterfeiting
& make it difficult
to stop illegal sales
J

November 12, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

JIM SCHLESINGER

SUBJECT:

Rationing Plan

I am responding to your recent question to me as to why we should permit a "white market" in any rationing plan devised for use in the event of a major energy supply interruption. In light of your question, we are reevaluating such a need, but at this time our analysis continues to indicate the desirability of this type of device.

We recognize that an argument may be made that rationing would be more equitable without a "white market." However, we believe that, regardless of whether or not a "white market" were permitted, gasoline entitlements would be traded. Allowing a "white market" would merely remove the sanction against trading and greatly reduce the need for an elaborate enforcement mechanism for the program. Also, provision for a "white market" would permit more efficient and less expensive implementation of the program. Without a "white market," allocation formulas would have to be precise to avoid major dislocations and to minimize the "black market;" with a "white market," the allocation formula could be simpler, since individuals could supplement their entitlements with purchases.

In addition, the trading of the entitlements would be entirely voluntary. No one would trade them unless he believed that the value he would receive for trading the entitlement was greater than the value of his need for gasoline. Accordingly, the ability to trade the right to purchase gasoline would provide the seller with incentive for conservation in that there would be a direct payment for any unused entitlement.

Also, by allowing the "white market" lower income people would be able to supplement their income through sale of the entitlements; thus the program would provide benefits from the sale of purchasing rights and could assist individuals in purchasing gasoline or other essential goods. This would contribute to a fair and equitable system.

At this time, we are evaluating the entire credit card rationing proposal about which I recently informed you and hope to be getting back with you shortly to present you with options in order to receive guidance on how to proceed. Included in this will be options relating to the necessity of a "white market."

CD3/monday
was am?
NC-

THE WHITE HOUSE
WASHINGTON
December 9, 1977

The Vice President
Stu Eizenstat

The attached is forwarded to you for
your information. If you wish to
comment, please call by close-of-
business today.

Rick Hutcheson

RE: STATUS REPORT ON RATIONING PLAN

due 10:00 Monday
from Kitty Schirner

?

THE WHITE HOUSE

WASHINGTON

Schles memo only

FOR STAFFING

FOR INFORMATION

FROM PRESIDENT'S OUTBOX

LOG IN/TO PRESIDENT TODAY

IMMEDIATE TURNAROUND

ACTION
FYI

MONDALE

COSTANZA

EIZENSTAT

JORDAN

LIPSHUTZ

MOORE

POWELL

WATSON

McINTYRE

SCHULTZE

ENROLLED BILL

AGENCY REPORT

CAB DECISION

EXECUTIVE ORDER

Comments due to
Carp/Huron within
48 hours; due to
Staff Secretary
next day

ARAGON

BOURNE

BRZEZINSKI

BUTLER

CARP

H. CARTER

CLOUGH

FALLOWS

FIRST LADY

HARDEN

HUTCHESON

JAGODA

GAMMILL

KRAFT

LINDER

MITCHELL

MOE

PETERSON

PETTIGREW

POSTON

PRESS

SCHLESINGER

SCHNEIDERS

STRAUSS

VOORDE

WARREN

MEMORANDUM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

**Electrostatic Copy Made
for Preservation Purposes**

8 December 1977

TO: THE PRESIDENT
FROM: RICK HUTCHESON *RL*
SUBJECT: Summary of Memos Not Submitted

DR. BRZEZINSKI sent you a memo regarding Cabinet meetings. "The discussions are often interesting but also quite frequently disjointed in the sense that we shift from one topic to another, without the kind of interchanges that could be quite productive. I wonder, therefore, if it wouldn't be useful to experiment with a discussion in which you go from Cabinet member to Cabinet member not on the basis of a sitting order but on the basis of clusters of interest."

For example, you could start with foreign affairs (State, DOD, NSC, STR), move to Cabinet members with interests spanning foreign affairs and domestic issues (Treasury, Commerce, Energy), and conclude with the domestic area (CEA, USDA, Labor, HEW, HUD, Interior, Transportation, OMB and Justice).

JACK WATSON "agree(s) with Zbig that presentations at some -- but not all -- Cabinet meetings are disjointed... The best Cabinet meetings are those where a number of Cabinet members join in on a free-flowing discussion..."

Watson, however, is dubious about splitting the Cabinet into clusters and limiting their comments to the foreign or domestic area. He proposes, instead, to experiment with sending out a short advance agenda to the Cabinet, and asking them to come prepared to discuss the several topics. "Some cross-cutting topics which we believe could lead to lively and useful discussions are: (1) your economic program; (2) strategy for the 1978 congressional races; (3) urban policy; (4) stimulating the private sector; and (5) ways to establish a better coordination between domestic and foreign policy."

Watson also suggests that you pursue other, informal means of bringing the Cabinet together -- White House Cabinet dinner, retreats, private informal dialogues, etc.

~~CONFIDENTIAL~~

THE WHITE HOUSE

WASHINGTON

ADMINISTRATIVELY
CONFIDENTIAL

December 5, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: ZBIGNIEW BRZEZINSKI *25.*

SUBJECT: Cabinet Meeting

I have one thought regarding the Cabinet meeting: the discussions are often interesting but also quite frequently disjointed in the sense that we shift from one topic to another, without the kind of interchanges that could be quite productive.

I wonder, therefore, if it wouldn't be useful to experiment with a discussion in which you go from Cabinet member to Cabinet member not on the basis of a sitting order but on the basis of clusters of interest. For example, one day you could begin by calling one by one on those Cabinet members who have primarily an interest in foreign affairs, followed by those with interests spanning foreign affairs and domestic, and conclude by calling upon those whose interests are primarily in the domestic area. On another occasion, you could begin with the domestic cluster, then those who span both the domestic and foreign, and conclude with the foreign. This way each person who speaks could relate himself more directly to the comments made immediately before him and elicit perhaps also some reactions.

I list below the three columns, organized in a sequence which seems to me sensible in terms of responsibility and interrelationship:

ForeignState
DoD
NSC
STRBothTreasury
Commerce
EnergyDomesticCEA
Agriculture
Labor
HEW
HUD
Interior
Transportation
OMB
Justice

"DETERMINED TO BE AN ADMINISTRATIVE MARKING
CANCELLED PER E.O. 12333, SEC. 1.3 AND
ARCHIVIST'S MEMO OF MARCH 16, 1983"

Naturally, you and the Vice President are not listed as such.

~~CONFIDENTIAL~~

THE WHITE HOUSE

WASHINGTON

MEMORANDUM TO: THE PRESIDENT

FROM:

Jack Watson

Jane Frank

December 7, 1977

RE:

Cabinet Meetings

We agree with Zbig that presentations at some-- but not all--Cabinet meetings are disjointed. As we have observed in earlier memoranda, the best Cabinet meetings are those where a number of Cabinet members join in on a free-flowing discussion of economic policy toward Africa, OPEC oil prices, ways to promote the energy legislation, etc.

While agreeing with Zbig on the problem, we are dubious about his proposed solution. To split the Cabinet into clusters and, essentially, to limit their comments to the foreign or domestic area, seems to us to be unnecessarily confining. One of the things that is remarkable about virtually every Cabinet member is his or her breadth of knowledge and curiosity. We think, therefore, that a possible format for an experiment would be to send out a short agenda in advance to the entire Cabinet and to ask each of them to come prepared to discuss the several topics on it. Prior notice would enable each member to think about the issue and to prepare a thoughtful response. Some cross-cutting topics which we believe could lead to lively and useful discussions are:

1. Your economic program,
2. Strategy for the 1978 Congressional races,
3. Urban policy,
4. Stimulating the private sector,
5. Ways to establish a better coordination between domestic and foreign policy making.

We respectfully suggest that you pursue other means--in addition to the formal Cabinet meeting setting--of bringing the Cabinet together with each other and with you. We have listed a number of suggestions in other memoranda, including:

1. Private informal dialogues between you and each Cabinet member;
2. A Cabinet dinner at the White House;
3. A Cabinet retreat;
4. Efforts to call on individual Cabinet members for general advice or advice relating to expertise they have outside the jurisdiction of their particular Department.